

## **Intellectual Property**

**Confidentiality** (trade secrecy)

**Copyright** (Copyright, Designs and Patent Act 1988)

Moral rights

Performers' rights

Design rights

**Trade Marks**

Passing off - (tort of passing off)

Registered trade marks - (Trade Mark Act 1994)

**Patents**

### **Remedies**

Search orders (*Anton Pillar*) orders

Injunctions

Interlocutory injunctions (*American Cyanamid v Ethicon* [1975] AC 396)

Freezing orders (*Mareva* injunctions)

Damages

Delivery up

Account of profits

Destruction of the infringing items

Limited criminal sanctions

## **Confidential Information**

### **Historical Development**

*Prince Albert v Strange* (1849) 1 Mac & G 25

*Argyll v Argyll* [1967] Ch. 302

*Attorney General v Jonathan Cape* [1976] Q.B. 752 (Crossland Diaries)

*Attorney General v Guardian Newspapers* [1988] 3 All ER 545 ("Spycatcher")

Most issues relating to IP and trade secrets come in the form of a breach of some business agreement, usually in the form of a breach of contract. But it may also take the form of a breach of an implied agreement not to disclose information.

*Saltman Engineering v Campbell* (1948) 65 RPC 203 Lord Greene: no requirement for a contract to exist, the obligation of confidence is based "on good faith"

Problem over defining the concept of good faith and when it can be imposed

### **a) When is Information to be Regarded as Confidential?**

It is generally agreed that in order to show an obligation of confidence exists three elements must be present.

*Coco v A N Clarke (Engineers) Ltd* [1969] RPC 41 Megarry J.

1) the information must possess the necessary quality of confidence

There is no need for the information to be special, just confidential.

2) the information must have been imparted in circumstances imposing an obligation of confidentiality; and

3) there was an unauthorised use of that information. (It is questionable as to whether this must be detrimental use)

All three factors must be shown before the person disclosing the information will be held liable. Each element is objectively assessed on the basis of "what would the reasonable person expect in the particular circumstances.

(see *Thomas Marshall (Exports) Ltd v Guinle* [1979] 1 Ch 227 for a more subjective approach)

**b) What Type of Information can be Regarded as Confidential?**

Any material which can be regarded as important and which is not intended for public consumption.

Information which is already in the public domain will not be regarded as confidential

**c) How can the obligation of Confidentiality be Imposed?**

This can be done either implicitly or explicitly.

The most common way is via a contract of employment.

But it is possible for mere negotiations leading to a contract to impose the duty: For example where an advertising company has been asked to mount a campaign for a product bearing a new trade mark, they will be under a duty not to disclose the trade mark or the product.

All that is required is for the parties to be aware that the information is to be regarded as “for their ears only”

*Coco v Clarke* Megarry J at 48

“if the circumstances are such that any reasonable man standing in the shoes of the recipient of the information would have realised that upon reasonable grounds the information was being given to him in confidence, then this should suffice to impose upon him the equitable obligation of confidence.”

There are usually few problems in relation to current employees, but this is not the case in relation to former employees.

Conflict of interests: past employer wishes to keep the information secret;  
former employee to be able to compete freely in the same business.

Was the employee bound by an express term stating that he will not divulge after leaving the employment? Onus on employer to show that the information amounted to a trade secret.

Faccenda Chicken v Fowler [1986] 1 All ER 617.

Look at three types of information

- a) non-confidential information
- b) information which can only be regarded as confidential during employment e.g. basic information
- c) a trade secret the divulgence of which would be detrimental to the company

Lancashire Fires Ltd v S.A. Lyons & Company Ltd [1996] FSR 629

CMI - Centers for Medical Innovation GMBH v Phytopharm plc [1999] FSR 235

Electro Cad Australia PTY Ltd v Mehjati RCS SDN BHD [1999] FSR 291

FSS Travel & Leisure Systems Ltd v Johnson [1999] FSR 505

#### **d) Unauthorised Use**

The issue is whether the person to whom the information was imparted took advantage of it. The motives of the recipient are irrelevant. What is important is that he knew the information was of a confidential nature.

#### **A Cautionary tale: The Value Companies Place on Confidential Information**

Stanley Adams v Commission [1979] O.J. C67/28; [1985] ECR 3539; [1986] 2 WLR 367

For civil protection for whistleblowers see *Public Interest Disclosure Act 1998*

#### **Remedies**

Interlocutory injunctions

Damages

## **Copyright**

Protects original works of authorship

Copyright automatically vests in the creator of an original work

Gives an exclusive right to exploit the work for life plus 70 years

The law of copyright protects the tangible expression of an idea, i.e., the form or mode of expression of an idea...NOT the idea itself.

*British Leyland v Armstrong* [1986] RPC 279

*University of London v University Tutorial Press* [1916] 2 Ch 601

*Independent Television Publications v Time Out* [1984] FSR 54

May be copyright in, *inter alia*, books, paintings, films, sound recordings, etchings, computer programs and lyrics.

Distinction between primary and secondary copyright works: CDPA 1988, s1

s3: literary, dramatic, musical works

s4: artistic works, architectural designs, artistic craftsmanship

s5: sound recordings and film

s6: broadcasting

s7: cable programmes

s10: joint authorship

s11: employed copyright creators

s104 (s105): presumption of authorship (in films)

**Rights gained** - s2 CDPA 1988

## **Protection of copyright**

Restricted acts : s16

s16(1)(a): to copy

s16(1)(b): to issue copies to the public

s16(1)(c): to perform, show, or play works in public

s16(1)(d): broadcast or include works in cable programme service

s16(1)(e): to adapt the work or any of ss a-d in relation to an adaptation

## **Secondary infringement**

ss22-26: importation, possession or dealing etc.

**Definition of infringing copies : s27**

## **Defences**

s29: research and private study

s30: criticism, review, news reporting

s31: incidental inclusion

ss32-36: educational uses

ss37-43: libraries

ss48-75: typefaces, timeshifting, rentals, clubs and societies etc.

## **Criminality and copyright infringement**

ss107-112: offences

*R v Budgman & Butt* [1995] EIPR D-343

*The Reject Shop plc v Manners* [1995] FSR 870

## **Moral Rights**

The right of paternity: s77 *et seq*

The right against derogatory treatment: s80

The right against false attribution: s84

*Moore v News of the World Ltd* [1972] 1 QB 441

The right to privacy in certain photographs: s85

*Mail Newspapers plc v Express Newspapers plc* [1987] FSR 90

## **Trade Marks**

Businesses can protect their product image/business reputation.

### **1. Common law tort of passing off**

*Reddaway v Banham* [1896] AC 199

Lord Halsbury: “No-one has the right to represent his goods as the goods of somebody else”

This equally applies to representations about services.

- Misrepresentation can take the form of an identical or confusingly similar mark, logo, business name or get up to that already used by the plaintiff.
- The object of the action is to ensure that the plaintiff does not lose custom on the basis of the defendant’s representations
- Any passing off, regardless of whether it is innocent or not, is actionable
- Plaintiff does not always have to show that actual damage has been suffered
- Must show that infringing activity took place in the course of trade and that customers were being misled.

*Erven Warnick v Townend* [1979] RPC 351 (the Advocaat case)

*Taittinger v Albev* [1993] FSR 641 (the Elderflower Champagne case)

*Reckett & Coleman Products Ltd v Borden Inc* [1990] RPC 340 (Jif lemon case)

- i) that goodwill or reputation attached to the goods or services in the minds of the public
- ii) that there was a misrepresentation by D of his/her goods to the public which would be likely to lead the public to believe that the goods so misrepresented are those of the P
- iii) that s/he has suffered or is likely to suffer damage

*United Biscuits (UK) Ltd v Asda Stores* [1997] RPC 513 (Penguin Biscuit case)

Burden of proof is on P to prove each element (very difficult)

No action exists if the public would not identify that name on those types of goods with the plaintiff

*Wombles v Wombles Skips* [1977] RPC 99

*Stringfellow v McCain Foods* [1984] RPC 501

## 2. Registered Trade Marks

A mark or device usually attached to goods or services which indicates a connection between those goods or services and the trade mark owner.

It is used primarily to indicate the origin of the goods, but it also serves to indicate quality and encourage brand loyalty.

Trade Mark Act 1994 - s1(1): definition of a trade mark

s10: Infringement

no requirement of intention

in the course of trade

Issue of extent and type of confusion

*Wagamama v City Centre Restaurants* [1995] FSR 280

*Baywatch Productions Co Inc v The Home Video Channel* [1997] FSR 22

Comparative advertising

*Barclays Bank plc v RBS Advanta* [1996] RPC 307

*Vodafone Group plc v Orange Personal Communications Services Ltd*  
[1997] FSR 34

*MacDonalds Hamburgers Ltd v BurgerKing (UK) Ltd* [1986] FSR 45

Common law (passing off) and rights arising out of the registration of a mark can exist concurrently over the same mark.

The function and scope of each right is different and each has benefits/disbenefits in relation to the other.

### Passing off

no formalities

protects all aspects of the business

evidential burden on plaintiff

### Registered TM

formalities

only protects the mark as registered

evidential burden on defendant